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June 3, 2008

Mr. Larry Prather P&G Revision CECW-ZA 441 G Street NW Washington DC 20314-1000

RE: Requests for Input on P&G Revisions

Dear Mr. Prather:

### Introduction

The Association of State Floodplain Managers has established a long and mutually beneficial relationship with the U.S. Army Corps of Engineers, the Federal Emergency Management Agency, and other federal agencies. Our 12,000 members represent all facets of government, especially the local and state levels, as well as the private sector. These state and local governments are the federal government's partners in managing and protecting the nation's water resources.

The ASFPM believes that the Congressionally directed review and update of the Principles & Guidelines now underway ranks among the most significant activities related to water resources that have been undertaken by the federal government in the past 30 years. Coincidentally, our nation now also faces uncharted territory in terms of explosive growth in both population and the accompanying increase in artificial ground cover (much of it in places that are already reaching the limits of what available water resources can support); an unprecedented amount of in-place infrastructure that will need to be maintained, enhanced, or decommissioned; collapsing ecosystems; and climate change—all of which will place new demands on the nation's water resources and be accompanied by ever-escalating flood risk. To meet these challenges head on will require bold and imaginative adjustments today.

#### **Process**

The ASFPM urges that the revisions to the P&G be accomplished in a deliberative and open fashion. From our perspective the update process appears to be on a fast track, with insufficient time allotted to shape and deliberate carefully about the proper course for this revision. We recently were advised that other federal agencies had been provided draft copies of a Corps of Engineers proposal for revisions to the P&G but were given very little time to comment. The ASFPM is concerned that the release of any Corps of Engineers proposal this summer will derail an open and deliberative process and could lead to an overly protective stance that will limit open discussions. Before any such release, we believe there is a need to

### Dedicated to reducing flood losses in the nation.

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Page 2 June 3, 2008

assess and come to consensus on a list of overarching issues, and perhaps commission necessary investigations to shape these recommendations. The ASFPM is not an organization that promotes overstudy of an issue, but revisions to something as fundamental and significant as the P&G should not be rushed. Because the revisions contemplated now clearly will guide the nation for as much as 30 to 50 years into the future, simplistic modifications will not be in the nation's best interest.

### Recognizing National Accomplishments, Unintended Impacts, and National Priorities

For over 75 years, the Nation has invested in its water resources in order to expand human populations from coast to coast, fuel interstate commerce, and protect in-place local economies that were susceptible to devastating and/or repeated flooding. This policy allowed our nation to leverage a seemingly infinite water resource base to influence where and how populations settled, expand the economy, support security in our once-remote regions, and help move the United States to superpower status during the 20<sup>th</sup> century.

As a nation we have reached the vision set forth by the policy makers of the early 20<sup>th</sup> century of utilizing our water resources to expand across the continent, build a vigorous economy, and enable our people to achieve a high standard of living. We can declare ourselves successful in this achievement.

Now it is time to realize that this success has brought unintended but significant consequences. Our onceabundant water-based natural resources, such as estuaries and riparian zones, have paid silently for that progress and today many are in serious decline. Too often, the nation has facilitated keeping communities at risk while giving insufficient consideration to or allowance for alternative approaches that might improve long-term public safety and economic sustainability.

Although we can see that our investments have yielded positive results for the economy, ecosystem degradation and destruction coupled with escalating flood risk and public safety concerns are leading to an unraveling of the gains recognized over the past century. This represents a significant threat to our economic well-being and to our ability to sustain our society over the long term.

As a nation, our collective values and priorities have changed over time. The cumulative results of growth and development had led to noticeable degradation of the environment by the 1970s and, in response, many environmental laws were passed. When the P&G were being developed in the early 1980s, we were still trying to digest these laws and determine their impacts—not knowing what adjustments might need to be made in the future. Since then, there has been a growing recognition of the importance of a healthy global environment, the extent to which the natural functions of regional ecosystems affect the human communities that rely on them, and the necessity for protecting those linkages in order to ensure individual well being. The sense of "manifest destiny" that accompanied the nation's growth phase has been replaced by a national dialog about maintaining our existing communities and an acute awareness that investment decisions must be made in a more strategic way. "Sustainability" has become a crucial concept as the realization dawns on us that our current social, environmental, economic, and infrastructure systems simply cannot continue to absorb unfettered and unplanned growth.

### Adjusting the Nation's Course—Revisions to Process and the P&G

Mindlessly following the policies or even the basic paradigms of the 20<sup>th</sup> century will undermine past gains and forego tremendous opportunities to deal with the unprecedented challenges our nation faces.



Page 3 June 3, 2008

### National Goal Setting and Discussions

It may be unfair to characterize the previous century as having had no measurable goals insofar as water resources investments were concerned. But it would not be an overstatement to suggest that the nation operated much like an investor searching for opportunities to generate returns on taxpayer dollars. Where and how those resources were invested were as much a function of Congressional advocacy as they were of any true focus on optimizing the investments' yields.

For the 21<sup>st</sup> century, we must adopt a more strategic approach. This will require establishing elements not currently found in our water resource investment tools: broad national goals that, collectively, will make a difference in the long-term sustainability of our society and also give priority to those projects and approaches that best meet these goals.

**Sustainable** actions and the ability to **adapt** to a rapidly changing world should become the cornerstones of our next policy paradigm. They must take precedence over the pure investment mind-set of the 20<sup>th</sup> century. For the first time, we would be moving from an era of harnessing abundant resources into an age of creatively managing limited resources for an ever-growing population.

A deliberative process would make it possible to discuss and reach consensus on these goals and also begin to frame the types of measures that could be used to determine whether we were meeting them. This process should include economics experts to deliberate the fiscal aspects of water policy and to discuss the broader issues of benefit-cost analyses within the Corps of Engineers, FEMA, and the many other federal water and natural resources agencies. For example, one topic for discussion should be the inconsistency among the discount rates used by different federal agencies. Further, the results of an open national discussion would facilitate implementation of any recommended policy changes.

### Refocusing the Principles and Standards

Couched within the framework of goals that promote sustainable and adaptive projects, the ASPFM urges consideration of the following accounts in a revised P&G: Ecosystem Restoration, Public Safety and Other Social Effects, Environmental Quality, and National Economic Development. However, unlike under the current P&G procedures, National Economic Development would not be the account that drives decisions. Rather it would be, at most, co-equal with the other accounts.

As demonstrated in recent disasters, maximizing short-term economic gains can result in the loss of life and personal ruin that can cripple an entire region. Attempting to blend and monetize these impacts through a single economic analysis might lead to a number, but this number does not speak to the trade-offs made in the decision-making process. Many of the qualities, functions, and resources that were thus traded off are irretrievable, and their loss has a permanent impact on our nation. If left unchecked, destruction of the nation's estuaries, riparian zones, and wetlands, coupled with climate change, will lead to irreversible losses in the vital natural resources that are the foundation of our economy and an inherent component of our quality of life and national character.

What is more, there are significant and unaccounted-for investment costs lying farther down the road when it is finally publicly acknowledged that such natural resources are in peril, whereupon restoring the degraded areas (if that is even possible) becomes a national priority. How much could we have saved as a nation if, at the outset, water resources development projects in the Florida Everglades or coastal Louisiana had been planned and designed within a framework in which environmental quality and



Page 4 June 3, 2008

resource protection were at least as important as National Economic Development? Perhaps it would not have been necessary to expend the billions of dollars now required to restore these vital ecosystems.

A Public Safety and Other Social Effects account likewise is extremely important because we are now on a dangerous path on which there is no minimum safety threshold for flood loss reduction projects. A Public Safety and Other Social Effects account needs to incorporate the concept of minimum safety standards for water resource projects (e.g., minimum design standards for levees and dams, or safety- and terrorism-related measures for transportation features such as navigation structures). Similarly, other aspects of that account need to be developed more thoroughly. Our society places great value on community cohesion, historic preservation, social and environmental justice, long-term health impacts from disasters, and similar attributes, but there has been very little research and development—and therefore guidance—on the Other Social Effects account.

Our investment decisions for the 21<sup>st</sup> century must focus on prioritizing what we need to accomplish with the funds and energy we dedicate to our water resources. Economic development and growth is important, but the ASFPM cautions that continued focus on National Economic Development has led—and inevitably will continue to lead—to unsustainable and expensive attempts to manage our water-related resources and hazards.

### Conclusion

We must acknowledge that we have leveraged virtually all of our water resources to promote development and that this has taken place at a significant—and perhaps unjustifiable—cost to our water-based ecosystems and to public safety. Correcting this imbalance is a critical priority for the nation in the 21<sup>st</sup> century.

The decisions being made as part of the process of revising the P&G will affect water resource investments for the next 30 to 50 years. This is the time to move towards goal-based outcomes. This is the time to have a national discussion about the nation's water resources economic policies. And this is the time to rectify the imbalance in the accounts that drive decisions about how our nation's water resources will be managed in the future.

The Association of State Floodplain Managers stands ready to engage in cooperative discussions about revisions to the P&G. Please feel free to contact our Executive Director, Larry Larson, at (608) 274-0123 or larry@floods.org.

Sincerely,

Al Goodman, CFM ASFPM Chair Larry Larson, P.E. CFM ASFPM Executive Director